



**AMSELCO
EXPLORATION INC.**

1112 Mill Street
P.O. Box 891
Camden, South Carolina 29020
Telephone: (803) 432-9828

EXPLORATION HEAD OFFICE:
90 West Grove Street, Suite 100
Reno, Nevada 89509
Telephone: (702) 827-2270

January 21, 1985

Mr. Stuart Carlson
State Director (970)
Bureau of Land Management
Eastern States Office
350 South Pickett Street
Alexandria, VA 22304

Dear Mr. Carlson:

Re: U. S. Forestry Service Tract 60-d

Enclosed is a summary of our exploration activities to date on Tract 60-d in McCormick County, South Carolina with all pertinent data and an application for extension of Prospecting Permit No. 15255. A four-year extension is requested under the provisions of 43 CR 3511.3, as amended on April 25, 1984.

Also enclosed is our Check No. 4323 in the amount of \$112 covering the full rental fee for this period. Your cooperation in this matter is greatly appreciated.

Sincerely,

AMSELCO EXPLORATION INC.

Robert J. Moye
Exploration Geologist

RJM/dn

Enclosures

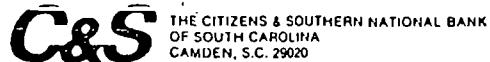


10755359

AMSELCO EXPLORATION, INC.
P.O. BOX 891 - 1112 MILL ST 432-9828
CAMDEN, SC 29020

NO 4323

67-6
532



Jan. 21 85
19

PAY One Hundred Twelve and no/100----- DOLLARS \$ 112.00

TO THE
ORDER OF Bureau of Land Management

AMSELCO EXPLORATION, INC.

W. L. Smoot
One F. Webster

1004323 405320006403513 7884

M. W. V. HARLAND NO. 804

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW. IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

AMSELCO EXPLORATION, INC.

DATE	DESCRIPTION	AMOUNT
	U. S. Forestry Service Tract 60-d 4 year rental fees 201-00-06-9822-5210-000	



**AMSELCO
EXPLORATION INC.**

1112 Mill Street
P.O. Box 891
Camden, South Carolina 29020
Telephone: (803) 432-9828

EXPLORATION HEAD OFFICE:
90 West Grove Street, Suite 100
Reno, Nevada 89509
Telephone: (702) 827-2270

January 17, 1985

Mr. Stuart Carlson
State Director (970)
Bureau of Land Management
Eastern States Office
350 South Pickett Street
Alexandria, VA 22304

Dear Mr. Carlson:

Re: Extension of Prospecting Permit No. 15255

Application is hereby made in quintuplicate by Amselco Exploration Inc. for a four-year extension of Prospecting Permit No. 15255 covering U. S. Forestry Service (USFS) Tract 60-d in McCormick County, South Carolina. This extension is requested following provisions of 43 CFR 3511.3, as amended.

Prospecting Permit No. 15255 was granted to W. R. Morin on April 1, 1983 and subsequently assigned to Amselco on August 17, 1983. This assignment became effective on December 1, 1983 with the approval of the BLM.

A plan for an initial phase of exploration was submitted to the BLM on January 3 and approved on February 6, 1984. Work completed during this phase included:

1. Establishing a 400-foot by 100-foot reference grid across the property (lines 2N, 6N, 10N on map).
2. Collection and analysis of 69 soil samples.
3. Completion of ground magnetic and EM surveys.
4. Geologic mapping and lithogeochemical sampling.

A zone of elevated metal values was detected on line 10N from stations 1W to 4W as a result of this phase of exploration.

A plan for a second phase of exploration designed to test this anomaly with an exploration trench and diamond drill hole was submitted to the BLM on September 10 and approved on September 27, 1984. All work during this period was conducted in close cooperation with the USFS to minimize surface disturbance and avoid any conflict with plans to harvest the timber during 1985. Site preparation was accomplished by one of several reliable contractors suggested by

Mr. Stuart Carlson
January 17, 1985
Page 2

USFS personnel and was completed without the loss of any merchantable timber. Access was obtained by Amselco from affected landowners, and repairs were made to the more seriously degraded portions of the dirt access road with 18 tons of gravel. Work completed during this phase of exploration included the following:

1. Mapping and sampling of a backhoe trench 300 feet long and 30 feet wide by 4 to 6 feet deep, extending from stations 1W to 4W on line 10N.
2. Construction of a short (about 100-foot) access road and a drill pad approximately 50 feet in diameter with two 4-foot by 4-foot by 8-foot sumps at station 5W.
3. Drilling of an angled core hole to a depth of 495 feet beneath the sequence exposed in the trench.

This phase of work was completed in mid-December, 1984. This trench has been filled and recontoured. A 30-inch wide section of the access road disturbed by trenching was repaired with gravel fill. Reclamation of the drill pad and pad access road was deferred pending analysis of the drill core, now complete. Site reclamation is scheduled to be completed within the next thirty days with on-site supervision by USFS personnel.

Several zones of highly anomalous metal values were detected in the trench and drill hole, although not of ore grade. Results obtained to date from Tract 60-d, when viewed in the context of an extended exploration database, indicate the presence of a stratigraphic package of dominantly volcanic lithologies with a high potential for a metal deposit of economic size and grade. Amselco feels that this potential is sufficiently encouraging to justify a third phase of exploration. However, the projected dimensions of an economically viable volume of ore, given the type of mineralization indicated, exceeds the limited dimensions of Tract 60-d (56 acres). Therefore, further exploration must necessarily be extended to encompass adjacent properties as well.

Amselco is in the process of acquiring mineral leases on several adjacent tracts with finalization expected early in 1985. A four-year extension of Prospecting Permit No. 15255 is requested to allow Amselco the time necessary to complete property acquisition and implement a comprehensive third phase of exploration and evaluation. This phase of exploration will include the following:

1. Compilation and evaluation of new geological data acquired as part of an assignment of leases on adjacent properties.

Mr. Stuart Carlson
January 17, 1985
Page 3

2. Extension of the initial database constructed for Tract 60-d across adjacent properties as necessary; to include extension of the reference grid, soil sampling and ground geophysical surveys, and geologic mapping and lithogeochemical sampling.
3. Additional trenching and drilling of USFS Tract 60-d to test possible extension of anomalous metal values in trench BHT-1 and drill hole BHD-1.
4. Trenching and drilling on adjacent properties to test extensions of potential targets on the USFS tract and additional targets as they are generated.

A specific plan of operation will be submitted to the BLM for approval prior to the inception of any work involving Tract 60-d. All work will be conducted in a professional manner and in cooperation with the BLM and USFS to ensure an optimal evaluation and development of natural resources.

We are aware that the scheduled harvest of merchantable timber on Tract 60-d may limit Amselco's ability to complete the proposed program prior to the termination of a two-year extension of the present prospecting permit. John Cathey, the USFS district ranger, has indicated that the harvest may require from three to as much as twenty-four months. Amselco will not be permitted to conduct exploration on the property during harvesting due to potential operational conflicts. The possibility of a protracted harvest and the magnitude of the proposed third phase of exploration necessitate our request for a four-year extension of Prospecting Permit No. 15255 under the provisions of the April 25, 1984 amendment to Title 43, Subsection 3511.3 of the CFR.

We look forward to a continued successful working relationship with the BLM and the USFS, and thank you for your cooperation in this matter.

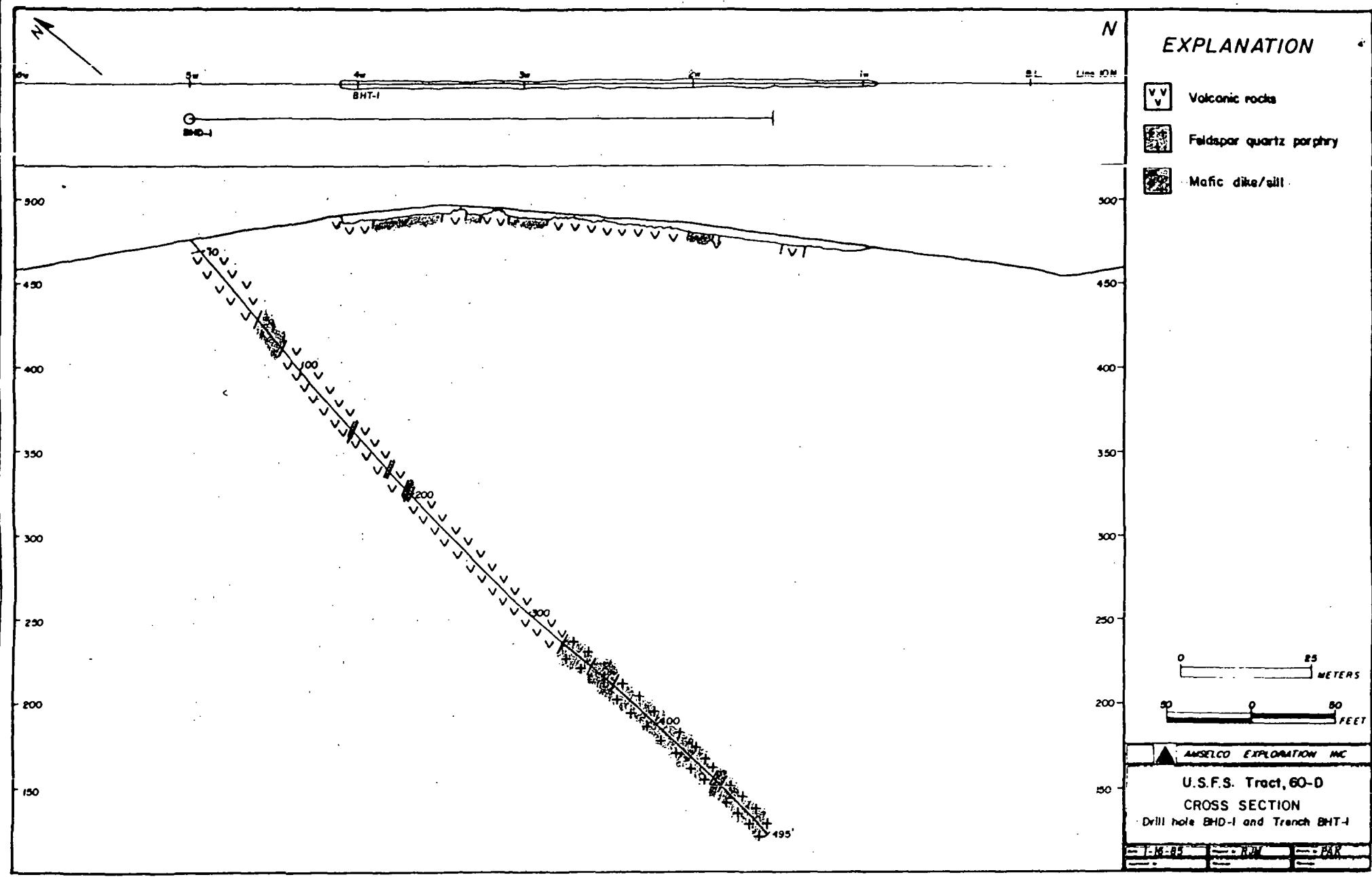
Sincerely,

AMSELCO EXPLORATION INC.



Robert J. Moyer
Exploration Geologist

RJM/dn



ATTACHMENT 1:

Analyses for Drill Hole BHD-1
and Trench BHT-1

BHD-1

DRILL HOLE DATA								ELEMENTS												ELEMENTS																
HOLE	HOLE	FOOTAGE	FOOTAGE							TYPE	PREP	CODE	ELEMENTS												ELEMENTS											
NAME	NUMBER	FROM	TO	13	14	15	16	17	18	13	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	WT	
BHD	1	10	11							0.1	C	G	L.02	L.30	7	27	10	4														70				
		11	20							0.2			.06	L.30	9	23	25	5															5.38			
		20	25							0.3			.05	L.30	4	62	13	5															5.00			
		25	30							0.4			.06	L.30	4	116	17	7															4.60			
		30	35							0.5			.05	L.30	4	58	19	7															5.88			
		35	39							0.6			.03	L.30	3	117	11	5															5.11			
		39	43							0.7			.03	L.30	2	84	19	5															4.49			
WHD	CONTROL	F.80								0.8			.86	L.85	86	30	15	59															1			
		43	48							0.9			.07	L.36	17	60	14	5															2			
		48	53							1.0			.03	L.36	8	65	8	6															3			
		53	58							1.1			L.02	L.36	7	62	7	4															4			
		58	63							1.2			.02	L.30	4	64	16	7															5.73			
		63	70							1.3			L.02	L.32	2	282	27	66														2.45				
		70	76							1.4			L.02	L.30	1	450	27	59														5.19				
		76	81							1.5			.03	3.03	2	193	46	43														4.82				
		81	86							1.6			.06	2.20	2	162	37	70														4.60				
		86	90							1.7			.02	.54	3	175	*4	32															5.56			
KR109	-15.3	CHECK	0.40	WT						1.8			1.29	1.57	31	18	12	30													1					
		90	95							1.9			.03	.43	5	470	12	23														2				
		95	100							2.0			L.02	L.30	3	420	12	57														3				
		100	105							2.1			L.02	L.30	4	480	11	51														4				
		105	110							2.2			L.02	L.30	2	136	9	54														5				
		110	115							2.3			.03	L.30	2	97	11	64														6.43				
		115	120							2.4			.05	1.38	4	410	13	57														7.99				
		120	122							2.5			.02	L.30	1	330	11	37														1.88				

HOYC J. Jim D Worth
02055111

Shuswap Canadian S.C.
12/11/84

AMSELCO	P.
11	CAMD1
1	
2	SPARKS Au
3	Mn
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

AMSELCO

BHD-1

DRILL HOLE DATA

841463

ELEMENTS

AMSEL C

Hoxie J. ... This D worth
0985511

Husse, C. O. CHURCH . . . 36

music

BHD - 1

DRILL HOLE DATA

841464

Hoye T

Tim Dworth

09855111

Household Survey

50

Aug 11

BHD-1

DRILL HOLE DATA

ELEMENTS

* GAP IN SEQUENCE

Hoye, T. Fris D'Watto
0285511

Huse L. C. O. Coopersen, SC

Musical

BHT - 1

DRILL HOLE DATA

841408

ELEMENTS

AMSEI

Merc J

Jim Dwyer

Q2855741

Alles ist so schrecklich

Hueches

BHT-1

DRILL HOLE DATA

ELEMENTS

May 5, 1968 - ~~signed~~ Worth

لہے پر بھی میں بھی نہیں ہوں گا

۱۰۵



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

JACKSON DISTRICT OFFICE
JACKSON MAIL OFFICE COMPLEX, SUITE 326
Post Office Box 11348
JACKSON, MISSISSIPPI 39213

IN REPLY REFER TO:

3560 (020) TS
ES 15255 SC

MAR - 1 1988

Mr. David R. Watkins
Amselco Minerals, Inc.
P.O. Box 891
Camden, South Carolina 29020

Dear Mr. Watkins:

Our files indicate that a modification to your exploration plan on prospect permit ES-15255 in McCormick County, South Carolina, was approved by the Bureau of Land Management on July 24, 1987. We have not received a quarterly report on this permit since March 31, 1987. The submission of quarterly reports was a condition of approval of your operating plan. These reports inform us of your progress, and, should you desire to pursue a preference right lease, the quarterly report may provide support for your application. In the event that no prospecting has occurred, simply state "No Prospecting Activity" on report form TJS-1, copies of which are enclosed. These forms be reproduced locally if desired.

Please submit reports for the quarters ending June 30, 1987, September 30, 1987, and December 31, 1987. Your next report will be due for the quarter ending March 31, 1988. These reports are due in this office by March 20, 1988.

If you have any questions on this matter, please call Terry Saarela at (601) 965-5956.

Sincerely,

Robert L Adams

for Robert Finney
ADM-Minerals

4 Enclosures

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Southeast District**

Southeast District
Minerals Form

SERIAL NO.
Commodity

PROSPECTING PERMIT REPORT for Quarter ending , 19

Submit one copy of this Report to District Manager, Southeast District, Bureau of Land Management, before
the end of the month following the report period.

	DESIGNATION OR NAME OF PROSPECT	FEET DRIVEN OR SUNK			THICKNESS OF ORE BODY	STATE IF PROSPECT IS COMPLETED OR ABANDONED
		This Quarter	Previously Reported	Total to Date		
BORE HOLES	\					
OPEN CUTS						
SHAFTS OR SLOPES						
DRIFTS OR TUNNELS						

Samples taken for analysis or examination during period, Number

(Bore holes into or through migratory or valuable deposits are to be cemented and abandoned according to procedures established by the District Manager.)

List maps, logs, samples, and analyses included with this report:.....

.....

.....

Permittee is requested to furnish in duplicate a map or sketch indicating position of drill holes, shafts, drifts, or slopes with reference to Government lands, giving the thicknesses of deposits found. Copies of the analyses, logs of all test holes, shafts, and tunnels are to be submitted in duplicate immediately upon completion, or on the suspension of work on them for an indefinite time. Abandonment forms are to be submitted for bore holes.

Cost of prospecting and development work during quarter \$

PRODUCTION AND SALES

PRODUCT	GRADE	TONS PRODUCED	TONS IN STORAGE	TONS DISPOSED OF	UNIT VALUE AT POINT OF SHIPMENT	TOTAL VALUE OF PRODUCT DISPOSED OF	ROYALTY AT % OR A TON

Name Title Date